



SCHOOL FINANCE UPDATE

A Monthly Newsletter Published by the School Finance Division

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This newsletter is emailed to school districts, county superintendents, county treasurers, and auditors each month. The newsletter is intended to reach all district staff involved in budgeting, accounting, enrollment, special education funding, and federal programs. Please forward it to all interested parties. Got suggestions for items to include here? We'd love to hear from you!

February 1, 2010 Enrollment Count

MAEFAIRS will be open soon for Spring Enrollment reporting. The official count date is Monday, February 1, 2010. If February 1 is not a scheduled pupil instruction day for your district, use the next school day for your enrollment counts.

AIM data will be used to provide student counts to the MAEFAIRS system. We encourage AIM specialists to have all AIM data entered and verified for import into the MAEFAIRS system. AIM specialists and MAEFAIRS registered users should work closely to ensure accurate and verifiable data is submitted to the OPI.

Please read the document located at <http://www.opi.mt.gov/PUB/pdf/schoolfinance/forms/anbmemo.pdf> for more information about enrollment and ANB.

Enrollment reporting instructions are available on the OPI website at this link: <http://www.opi.mt.gov/pub/aim/AIM%20Collections/Fall%20Attendance%20Collection/EnrollmentInstructions2010.pdf>

Enrollment reports must be submitted to the MAEFAIRS system no later than **February 12, 2010**. Send a copy of the submitted report to your county superintendent.

OPI Contact: Nica Merala, (406) 444-4401 or nmerala@mt.gov

Please Review Quality Educator Report

Please review your district's staff assignments that will be used for the FY2010-11 Quality Educator payment. A report is available on the OPI website for each school district and special education cooperative to review its personnel assignments at <http://data.opi.mt.gov/QualityEdFte/Default.aspx>.

We ask that you pay special attention to the last section of the report where the assignments that are not included in the Quality Educator payment are listed. An assignment is ineligible for the Quality Educator payment either because it does not require a license or the employee did not hold a valid educator or professional license as of December 1, 2009.

Any corrections to your district information must be reported to the OPI in writing (mail or email) by **Friday, January 15, 2010**. If approved, these changes will be reflected on the FY2010-11 general fund preliminary budget data sheets that OPI will post to the website by March 1, 2010. Send your corrections with a brief explanation to Colleen Hamer in the OPI Accreditation Division as soon as possible, but not later than January 15, 2010.

OPI Contact: Colleen Hamer, (406) 444-2410 or chamer@mt.gov.

FY2009-10 2nd Semester Bus Inspections

Buses must pass inspection for the second semester by January 31, 2010 in order to be eligible for full funding for the second semester. Please schedule inspections early to allow time for re-inspection by January 31, if necessary.

Pre-filled bus inspection forms (TR-13) for the second semester may be printed from the transportation system.

OPI Contact: Maxine Mougeot, (406) 444-3096 or mmougeot@mt.gov

IRS Mileage Rate for 2010

Effective January 1, 2010, the reimbursement rate for personal car mileage driven in connection with State business is decreased to 50 cents per mile. The rate is authorized by MCA 2-18-503 and is made in conjunction with the official change by the Internal Revenue Service (IRS). The IRS announcement is available at the following link:
<http://www.irs.gov/newsroom/article/0,,id=216048,00.html>

OPI Contact: Rebecca Phillips, (406) 444-0783 or rphillips2@mt.gov

ARRA School Level Data Collection

The American Recovery and Reinvestment Act of 2009 (ARRA) requires a one time data collection for each school district receiving Title I, Part A ARRA funds to report a school-by-school listing of per-pupil expenditures from state and local funds for FY2008-2009. On November 23, 2009, the Office of Public Instruction (OPI) received final guidance from the U.S. Department of Education (USED) on the information needed to comply with the ARRA provision.

The USED is requesting information by school code for three data items from the school district FY2008-09 accounting records. The data items will be used with other information, such as enrollment, that has already been reported to the USED to calculate a per-per pupil expenditure from state and local funds by school. The OPI must collect this information from the school districts and report it to the USED.

The three FY2008-09 data elements required to be reported by school code are: 1) salaries paid for instruction and support services (expenditure function codes 1000, 2100, 2200 and 2400); 2) salaries paid for instructional services only (function 1000); and 3) salaries paid to teachers only (function 1000, teachers only). The data should not include expenditures for special education, adult education, preschool, school nutrition programs, summer school or expenditures from federal program funds. However, expenditures from Impact Aid should be included.

We realize this is a data collection that has not been required in the past. However, the OPI is required under ARRA to report the data and is thus trying to make this as simple as possible. We have developed guidance to assist you on how to query your accounting system to compile the most accurate and consistent expenditure information for your district by legal entity (LE) code. We have provided a spreadsheet to input your queried data for each school code in your district. Please see the links provided below.

This collection is due to the OPI on or before Feb 26, 2010 and can be submitted by attaching your completed spreadsheet to an email addressed to opischoollevelsurvey@mt.gov

Excel Spreadsheet for reporting:

<http://www.opi.mt.gov/pdf/SchoolFinance/ARRA/SchoolLevelSalaryDataCollection.xls>

Guidance/Instructions from OPI:

<http://www.opi.mt.gov/pdf/SchoolFinance/ARRA/GuidanceSLDC.pdf>

Federal Instructions to the state:

<http://www.opi.mt.gov/pdf/SchoolFinance/ARRA/09NovFederalSSLEFormA.pdf>

OPI Contact: Paul Taylor, (406) 444-1257 or ptaylor2@mt.gov

**FY2008-09
Trustees
Financial
Summary (TFS)**

The FY2008-09 Trustees Financial Summary (TFS) reports are posted on the OPI website at this link: <http://www.opi.mt.gov/PUB/School%20Finance/TFSReports/FY2009/>

OPI Contact: Donell Rosenthal, (406) 444-3024 or drosenthal@mt.gov

**Reconcile
County
Treasurer
Reports to
District Records**

In 10.10.501(3), Administrative Rules of Montana, each school district is required to reconcile ending cash, investments, cash receipts and cash disbursements reported by the county treasurer with the district's records for all funds. Any difference shall be documented and adjustments to the school district or county treasurer's records made as necessary.

The OPI has a great spreadsheet posted on our website at http://www.opi.mt.gov/PUB/pdf/SchoolFinance/Balance_to_CoTreas_03_04.xls to help school districts compare cash balances to the county treasurer's reports.

OPI Contact: Rebecca Phillips, (406) 444-0783 or rphillips2@mt.gov

**ARRA State
Fiscal
Stabilization
Fund Program**

A portion of Montana school districts' FY2009-10 and FY2010-11 General Fund budgets are supported by State Fiscal Stabilization Funds (SFSF) provided in the American Recovery and Reinvestment Act (ARRA). School districts were required to submit an application with the governor's office for use of these funds. The application contains several assurances, including that the district will use fiscal control and fund accounting procedures that will ensure proper disbursement of, and accounting for, the funds.

The U.S. Department of Education (USED) received several questions from auditors working on federal (single) audits, and, on December 24, 2009, it issued a guidance document located at this link: <http://www.ed.gov/programs/statestabilization/auditor-guidance.pdf>. Following are some highlights that may be helpful to school districts:

- An entity that receives SFSF funds must maintain records that separately track and account for the funds. The OPI has established revenue source code 7800 and expenditure program code 780 for this purpose.
- SFSF differs from other USED programs in that one of its primary purposes is to provide Federal support for expenditures that are typically paid for with non-Federal resources.
- The SFSF program supports a broad array of activities and are essentially general aid.
- SFSF expenditures must be "reasonable and necessary" and consistent with applicable State and local requirements.
- SFSF funds may not be used for maintenance costs and certain other specific expenditures (see question #5 in the FAQs on the OPI website at this link: http://www.opi.mt.gov/pdf/SchoolFinance/ARRA/GF_SFSFRemburseRqstFAQ.pdf)
- There are no specific Federal time and effort requirements that apply to individuals whose salaries may be supported with SFSF funds.
- Documentation of SFSF expenditures for salaries should be able to demonstrate that the costs were reasonable for the service provided, that the service was actually provided, and that no other funds were paid for the same service.
- Under section 1512 of ARRA, recipients of SFSF funds must submit a quarterly report that describes how the entity used the funds. OPI's quarterly ARRA reports and monthly E-Grants cash requests are fulfilling the ARRA quarterly reporting requirements.

OPI Contact: Denise Ulberg, (406) 444-1960 or dulberg@mt.gov

**Title IV-A Safe
and Drug Free
School Program
No Longer
Funded**

The Consolidated Appropriation Act of 2010 was signed by the President on December 16, 2009. The Title IV, Part A Safe and Drug Free School and Community Program will be terminated; no grant program will be offered for the FY2010-11 school year. The OPI will provide information related to closeout of FY2009-10 funds as soon as guidance is provided by the U.S. Department of Education.

OPI Contact: Karin Billings, (406) 444-3000 or kbillings@mt.gov

Useful Links

State Entitlement Payments to Schools:
<http://www.opi.mt.gov/PUB/School%20Finance/Payments/>

School Accounting: <http://www.opi.mt.gov/SchoolFinance/Acct.html>

Forms and Publications: <http://www.opi.mt.gov/SchoolFinance/Forms.html>

Pupil Transportation: <http://www.opi.mt.gov/PupilTransport/index.html>

Enrollment and ANB: <http://www.opi.mt.gov/SchoolFinance/Enrollment.html>

Tuition: <http://www.opi.mt.gov/SchoolFinance/Forms.html>

Audit Information: <http://www.opi.mt.gov/SchoolFinance/Audit.html>

School Finance Calendar: <http://www.opi.mt.gov/calendar/calendar.php?calendar=2>

Summary of OPI Activities: <http://opi.mt.gov/OPISummary/>

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Happy New
Year!



HAPPY NEW YEAR

Happy New Year to you!
May every new day bring you sweet surprises and cheer!
Looking back on the months gone by,
We contemplate what has brought us joy!

We will read and learn a lot,
So our goals will be accomplished,
Sigh.....or maybe not?

We'll long for the wisdom to handle our every day of life,
We do our best to do what is right.

So may your year be full of memories and cheer,
Hold on to all that is so dear!

May the New Year bring you fun and joy!